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JACKIE GOLDBERG
Councilmember, 13th District

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Dept.	Phone # <i>485-3353</i>	
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October 18, 1994

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Dear !nm!:

As you may be aware, I am supportive of any effort to establish a Business Improvement District (BID) along Hollywood Boulevard. We currently have the makings of a successful effort to do just that. I would like to request that you participate in a consultant interview on the subject. But first, some background.

A BID is to a commercial district what mall management is to an indoor mall. It serves to coordinate security, cleaning, and marketing efforts for participating businesses, and is essentially controlled by those businesses. BID's have generally been funded through a one-year, renewable assessment of businesses, but new legislation extends the assessment to five years and includes commercial property owners.

The concept, prior to the new legislation, is explained in greater detail in the enclosed Planning Report article. I would like to see a BID in Hollywood **without an assessment** for the first year or two, and I am confident that funds can be made available for this by consolidating existing resources and/or allocating additional funds. But the impetus to create a BID must come from the private sector.

I am very pleased to inform you that the private sector leadership for this venture has already come from three individuals who approached me several months ago with the

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idea. Mr. Barrie Wexler and Ms. Lynn Wexler of Phase2 Developers, and Mr. George Rosenthal of Raleigh Enterprises, came to me to describe a very exciting, "urban theme park" project they have planned for the Galaxy. Their "Hollywood Studios" project will be a major attraction that will provide visitors with a Hollywood studio experience, complete with filming, commissary dining, and interactive attractions. But the success of their project will depend largely on the business and tourist climate in Hollywood. We agreed that a BID would be the proper vehicle to ensure the revitalization of Hollywood and the success of projects such as "Hollywood Studios".

I can elaborate this part if you'd like.

The Wexlers and Mr. Rosenthal then committed to embarking on an aggressive, methodical, pro bono effort to bring a BID to Hollywood in conjunction with their project. Since then, they have committed considerable resources to research and study of the concept. One of the things they have learned is that other BID's, such as Old Town Pasadena and the Third Street Promenade, lacked two basic elements already existing in Hollywood when they were formed: a world renowned destination, over \$5 Million in City funding for special services. What those BID's did have, which Hollywood needs to develop, was a united commitment by property owners and merchants to take risks and invest in their own properties and businesses.

I cannot emphasize enough the need for private sector leadership and commitment to this effort before commencing any public approval process. If Hollywood merchants and property owners can get behind a BID to the extent that their counter parts in Pasadena and Santa Monica did early on, they will succeed. As we all know, this would be a major breakthrough for Hollywood. But I believe that Hollywood is ready for it.

To counter the many "false starts" that have characterized plans for Hollywood in recent years, the Wexlers and Mr. Rosenthal seek to develop a "sales document" that will communicate a vision of a Hollywood BID that those eventually assessed can not only support, but enthusiastically embrace. They have used their collective wisdom and commitment to attract high powered consultants for this work at a fraction of their normal fee, because there are important

civic implications of a successful BID in Hollywood. The consultant team they have assembled includes Mr. Richard Hutman, of Karsten/Hutman Margolf, Inc., and Gruen Associates, working with Economic Research Associates and Mr. Lee Strong.

Mr. Hutman is a nationally respected consultant for large projects who has been the project manager on Disney Hall, the Getty Center, and the Broadway Plaza. He has the skills needed to bring a consultant team together and to produce a high quality product that will set the tone for the standard we would want in a BID.

Gruen Associates is an internationally respected consulting firm with tremendous resources specializing in specific plans, entertainment planning, community involvement, transit projects, redevelopment agency planning, and urban design. They are the principal firm associated with the new Westwood Village BID. Their work ranges from the Sulawesi Resort in Indonesia to Magic Mountain to the Beverly Hills Urban Design Plan and Streetscape.

Mr. Dave Wilcox, of Economics Research Associates, will provide the economic analysis and a proposed program design that will form the core of the "sales packet". His work has included program design and implementation projects for the West Hollywood Marketing Corporation and the Pasadena Regional Marketing Strategy.

Mr. Lee Strong, of Downtown Focus, is without question the most prominent BID expert in California. His consulting firm specializes in organizing assessment districts throughout the State. He implemented the plan for Old Town Pasadena and has worked on at least some portion of just about every other BID in Southern California.

Members of the consultant team would like to interview as many people as possible within a relatively short time frame so that their final product can be issued within 90 days. They are particularly interested in gaining your insight on what has caused prior efforts to fail and what you believe will be required to make this effort succeed. Interviews are being scheduled on October 24th and October 25th at the Hollywood

Roosevelt Hotel at 30 minute intervals. Veronica Gutierrez of my staff will contact you between the 19th and 21st to schedule your interview. Please feel free to contact her at (213) 485-3353 to indicate the best time for you.

I thank you in advance for your willingness to participate in this very important process. With your input and the leadership of the Wexlers and Mr. Rosenthal, I am confident that finally we will see a successful Hollywood BID that will reap benefits for the property and business owners, and for the City as a whole.

Sincerely,

JACKIE GOLDBERG
Councilmember, 13th District

Enclosure

JG:VGsc